

# COST ENGINEERING

## Volume 25



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### FUDS COST TO COMPLETE ESTIMATES

Jim Peterson, Cost Engineer, HTRW CX

The HTRW CX is currently completing its quality control/quality assurance efforts for the FUDS Cost to Complete initiative this year. Our reviews revealed that a number of cost engineers are actively involved in the development of FUDS cost to complete estimates. Some districts however, use other technical disciplines to prepare the estimates. We encourage the cost engineers from districts with FUDS missions to actively pursue the development of FUDS estimates by coordinating with FUDS project and technical managers. FUDS cost training sessions were held last spring to better prepare districts for development of the estimates. However, some of the cost personnel preparing the estimates did not attend the training sessions. This resulted in a substantial learning curve to get up to speed on the RACER software.

### FUDS Cost Training



We will be conducting more training sessions this coming March-May 2000 timeframe to better equip cost engineers in the use of RACER to develop FUDS estimates. The sessions will last 2 days, and will be held at various locations in the U.S. More particulars will be provided when the dates and locations for the sessions are finalized. These sessions will concentrate on the use of new FUDS Ordnance and Explosive models, and other model and software enhancements. We recommend that cost estimators developing FUDS estimates attend one of these sessions. For those of you who have never had RACER training, a couple of sessions are planned for new users. If you have any questions, please contact us at the HTRW CX for further information.

## Learn about Parametric Cost Estimating

By Joe Yee, Cost Engineer, Sacramento District

Web Site URL =

<http://www.spk.usace.army.mil/cespk-ed/cst/parametric>. These

Web Pages were developed under direction of

HQUSACE (CEMP-EE)

to assist and provide

information to cost engineers/

estimators within the U.S. Army Corps of

Engineers. Please use this site to learn about Parametric Cost Engineering System (PACES)

and Remedial Action Cost Engineering and

Requirements (RACER) systems, suggest

improvements to software, request new Army

models, get meeting updates, order software for

Corps of Engineers' use, and keep up-to-date

with ongoing developments in the parametric

cost estimating world. Other items of interest

are: definitions of 'parametric cost estimating',

descriptions of the PACES and RACER

software, software licensing for government

employees and contractors, lists of current

regulations, and points of contact. The Web

Site also provides a 'newsgroup' type **forum**

that will keep the PACES and RACER

working groups updated with current user

issues.

Please do visit the 'forum'. Look around as a guest, then join the user group and post some messages. The User's Group looks forward to seeing your interaction and sharing of ideas.



## Corps Participates in PACES Pre-Release Meeting

By Susie Vohlken, Cost Engineer, SAD

A technical review meeting of the latest version of the Parametric Cost Engineering System (PACES) was held at Talisman Partners' office in Colorado on 14-16 March 2000.

Representatives from the Air Force, Navy and the Corps were briefed on the updated features of PACES

2000 and participated in a

hands-on evaluation of the

software. This meeting provided an opportunity for the

agencies to discuss possible enhancements to

provide a more efficient cost-estimating

tool. The review focused on nine topic areas:

reports; markups, interfaces with other systems;

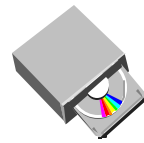
Internet delivery; demonstration of Cost Risk;

PACES functionality; use of other databases;

sitework models; and, proposed enhancements.

Thanks to Joe Yee of Sacramento and Joe Ellsworth of Mobile for representing the Corps.

PACES software distribution will be made by Huntsville. The current plan is to distribute one copy to each District, Division and Engineering Support Center. A delivery date is being coordinated between Talisman Partners and the Corps.



## Cost Risk

By Rex A. McLaury

We are getting ready for the 95% submittal, which is expected by May 2000. An IPR meeting is scheduled for May 2000.

Dr. Diekmann will be previewing and testing the software using crystal ball software to ensure

the PACES/RACER programs are interfacing with Cost Risk. Then, the Cost Risk review team will meet at the Talisman Partners facility to beta test "on the fly". This will prove to be beneficial for both the Government and Contractor. While Cost Risk is put through rigorous beta testing, all anomalies can be corrected and re-tested for functionality during the same day. The final release of Cost Risk is expected to occur sometime late June 2000 timeframe. HNC will be distributing the Cost Risk software to each district. The software will also be available for download for anyone else who has proper username/password.

### **HAG Version 2.1**

**Current:** The Government accepted the pre-final review on 11 February and the expected submittal delivery date is Feb 25, 2000. Distribution of the software is scheduled for the first week in March. Also, software will be available for download from the TRACES webpage provided that the user has a valid username (or userID)/ password and permission rights. The primary purpose for this HAG release was to repair all the known Y2K problems that occurred when trying to work with data for year 2000 and greater. All Y2K related problems will be repaired for HAG version 2.1. The latest database for HAG 2.1 will be called HAG2000a.HGH.

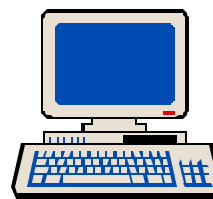
**Planned:** After HAG 2.1 is distributed, there are plans to issue a task order to repair OSD reports. Each year the ACF (area cost factor) Tri-Service review team meets to discuss OSD pricing guide. The HAG program is the source for the OSD. It is important that HAG cost data be correct and in the correct units of measure (i.e. \$/SF vs. \$/MM, \$/square foot versus \$/ millimeters). Therefore, it is imperative that data going into HAG is done

correctly since this may effect the ACF for your area.

### **Webpage**

HNCs IMO is supporting the TRACES team on several webpage-related tasks. First, they are helping by getting the existing **TRACES** webpage hyperlinks re-established that became corrupted when HNC installed the firewalls (this might explain why you may not have been able to download files directly from **TRACES** webpage). Instead of downloading files from TRACES via HTTP, you will use FTP and your username

/password will not change. While hyperlinks are being set up, we are creating a designated HAG FTP site in which all HAG data files will reside. This repository will be where you will submit your HAG projects to be included in the HAG master database. Sending files to HAG



TRACES and your  
webpage

FTP will send a notification to the recipient. This site will pave the way for similar sites for other TRACES modules.

This should alleviate missing projects that were previous sent by the districts and

and not get included in the HAG master database. Also, we are trying to develop a centralized location that all cost engineers can start from (being TRACES webpage), and then venture out to other cost engineering sites for pertinent information, databases, catalogues, ER's, Tech manuals, etc. This will be transparent to the user.

That is, the user will not even be aware they are just jumping (hyperlinking) from one site to the next. Walla-Walla district began by setting up all the hyperlinks for the centralized webpage. Once completed, HNC will manage and maintain the centralized webpage via the TRACES homepage.

## **Status of MCACES for Windows, 32 Bit M32**

by Larry Werner

As you may be aware, the full implementation of the M32 software has been substantially delayed. Significant problems arose during the M32 development, which resulted in a claim by the developer for a substantial amount of money. The developer's primary dispute was the definition/interpretation of the project scope.

The Government's evaluation of the claim concurred in only a small portion of the items claimed. Since the developer refused to provide any further M32 submittals other than version 1.0 until a favorable disposition of their claim, the process was deadlocked until the claim could be legally adjudicated by the board of contract appeals which could take more than one year.

In an attempt to break the deadlock, a settlement was offered by the Government, which would provide the Government with the source code for all work performed on M32 to date and the developer would receive a small financial compensation and would withdraw his claim. The settlement was accepted by the developer. This permits the Government to go to other contractor(s) to evaluate and complete M32. This is necessary because M32 version 1.0, which was fielded in May 1999, had significant problems as noted by users in the field and by a separate quality assurance contractor.

The M32 development team and selected contractors will be evaluating the most recent version of the M32 (Version 1.05) submitted by the developer per the settlement. Based upon this evaluation of the M32 software it was

decided to not officially distribute M32 Ver 1.05. Once this evaluation is completed, the Corps of Engineers will determine how much effort is needed to

field a quality cost engineering software package as well as associated costs and schedules. A copy of M32 Ver 1.05 can be

obtained by either contacting Mr. James Nichols or via the TRACES Web Page. Point of contact for further information is Mr. James E. Nichols, 256-895-1842.



## **M32 Clean-up Effort**

By Jim Nichols

At this time I expect you are asking what is being done to make M32 a usable piece of software. The current software just seems to be too slow and it keeps on crashing. Also, sometimes the software just doesn't seem to calculate properly. When can we get a new piece of software which will be faster, more reliable and perform the correct calculations. Well, I hope to provide you with the good, the bad, and the ugly as to what we are trying to do now that BSD is no longer involved with the M32 development.

To date, we have had two independent evaluations performed on the M32 software, one by EMB Pro (Bill Smith) and the other by Project Time & Cost. These are the same evaluations as identified by Larry Werner in his article [Status of MCACES for Windows, 32 Bit \(M32\)](#). A meeting was held on 7-8 March in order to discuss the results of the evaluations and to prepare a plan for the clean up of M32. Both recommendations indicate a necessity to revise a significant part of the code.

We found ourselves in a dilemma though, there was no real contract vehicle available which would allow us to get the software updates performed quickly. We looked at several contracting vehicles and couldn't find one, which would allow us to easily acquire a task order with a contractor who has both cost engineering and software development experience. We are currently preparing to actively bid the TRACES Maintenance Contract, currently held by Building Systems Design (BSD). Current schedule shows award of the new contract during the later part of this summer.

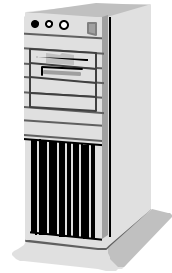
The clean-up effort for M32 will be the first priority with the new contract. The design functionality and the proposed technical requirements are being prepared into a revised design document. This will be the basis for the requirements for the new contractor, whoever it may be. At this time, it is too early to speculate as to how many and what features planned for M32 will be included in this clean-up release. As we close in on the award of the clean-up task order and as M32 clean-up efforts continue, we will try to keep you updated by issuing e-mails and articles in later releases of the newsletter. We will also be periodically placing information about the M32 development on the TRACES web-site.

I would greatly appreciate any comments/recommendations concerning the new direction we are taking with the M32 development. We want to develop a system, which will meet your needs while potentially improving performance via these tools. Once we have distributed this cleaned-up release of M32, we will start looking for additional features proposed for M32 trying to get them all implemented. My phone number (James Nichols) is 256-895-1842.

## **Area Cost Factors**

by James Nichols

The Tri-Services has recently met to discuss the Area Cost Factors for FY02-03. The new report has been submitted to the Office of the Secretary of Defense (OSD) for final approval. A copy of the updated database is available on the Web, the name of the database is "fy2000 official database.zip". The current version of ACF32 can be either retrieved from the web page for can be loaded from the July 1999 TRACES Suites CD-ROM. If you have any questions please feel free to give me a call (Jim Nichols) at 256-895-1842.



"FY2000 database zip"

## **2000 Unit Price Book**

by Terry Patton

The 2000 version of the TRACES Unit Price Book (UPB) will soon be forwarded to your office under a separate cover. The UPB is a collection of over 21,000 commonly used construction items for the development of project estimates in the military, civil works, and HTRW programs. Developed in both English and Metric editions, the new UPB was a joint effort by the Tri-Service cost engineering community and the RS Means Company, Inc.



The 2000 UPB was designed to be as comprehensive and as easy to use as possible.

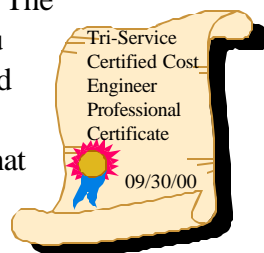
To that end, “national average” material prices have been researched and established. New construction labor rates and effective equipment rates have also been included to ensure the UPB is a reliable source of current construction costs. All cost data has been divided into the 16 divisions according to the MasterFormat system of classification and numbering as developed by the Construction Specifications Institute.

The Hot-To-Use pages of the UPB should be read in detail prior to usage, this will ensure users understand the total scope of the pricing information. In addition, the Tri-Services has contracted with the RS Means Company, Inc. for telephone hotline support. The hotline number is 1-800-334-3509 and is available Monday through Friday from 0800 to 1700 eastern standard time.

**1<sup>st</sup> NOTICE FOR  
RE-CERTIFICATION**

by Jim Hudson

All initial Tri-Service Certified Cost Professionals who became certified during the period of 1 January 1996 and 30 June 1996 are required to apply for re-certification prior to 30 September 2000. The current certificate you hold expires at the end of the year 2000 and the by-laws require that you have a re-certification application completed, validated by your supervisor and into the hands of one of the Cost Certification Committee member not later than 30 September 2000. Your new certificate will be issued after 1 January 2001. You may get a re-certification application along with a copy of the by-laws from the USACE HQ Homepage



at

[\[http://www.hq.usace.army.mil/cemp/e/ec/ec\\_new.htm\]](http://www.hq.usace.army.mil/cemp/e/ec/ec_new.htm). You should specifically look under Article C of the By-Laws to see how point credits may be earned, how many are allowed by category and how many are required for re-certification (9 total). In addition, you may forward your application to any of the current board members for approval; however, it is suggested that you forward it to the member closest to your geographical area in order not to overload any specific member. More information will be periodically furnished as we continue with the countdown over the next 6 months. Your current Corps Board members are Jack Shelton at SWD, Larry Brotherton at LRD and Jim Hudson at HNC. Please consult your directory for mailing addresses. The names of the Navy Board members are Austin Manger, Steve Sparks and Ed Shank.